AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 852

Introduced by Assembly Member Quirk

February 21, 2013

An act to add Section 129788 to the Health and Safety Code, relating to health facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 852, as amended, Quirk. Skilled nursing facility construction, alteration, or addition: review.

Existing law, the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, requires design and construction standards for hospital buildings that house patients who have less than the capacity of normally healthy persons to protect themselves. Existing law also requires that those standards specify that hospitals must be reasonably capable of providing services to the public after a disaster.

Existing law requires the Office of Statewide Health Planning and Development (OSHPD) to approve or reject all plans for the construction or alteration of a hospital building. Existing law specifically requires the office, contingent upon an appropriation in the annual Budget Act, to establish a program for training fire and life safety officers to facilitate the timely performance of the office's duties and responsibilities relating to the review of plans and specifications pertaining to the design and observation of construction of hospital buildings, as specified. Existing law authorizes the office to establish other training programs as necessary to ensure that a sufficient number of qualified persons are available to facilitate the timely performance of the office's duties and responsibilities, as specified.

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This bill would-set specific require OSHPD, except as prescribed, to develop, with stakeholders, reasonable timeframes for review and approval—timeframes—for of skilled nursing facility construction, alteration, or addition projects and would authorize the office to assess a reasonable fee for this review, as specified. The bill would authorize the office to seek outside assistance through contracts with qualified professional architectural or engineering firms to meet—the those review turnaround times—required by this bill. or coordinate with local building officials to delegate jurisdiction on specific types of projects. The bill would require OSHPD to monitor document submissions related to new or comparable design concepts meeting approval requirements and, when feasible, publish standard requirements for use by stakeholders. The bill would require OSHPD to work with stakeholders to establish education and outreach programs directed at reducing document submission error rates and turnaround times.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) A variety of factors have contributed to making health care construction costs in California among the highest in the nation.

 The costs are driven by the escalating price of raw materials, high demand for skilled labor, and the complexity of design, plan review, and approval of skilled nursing facility construction.
 - (b) Skilled nursing facilities are licensed health care facilities that care for the state's most fragile and vulnerable citizens.
 - (c) The physical infrastructure and related systems of these licensed health facilities are governed by building and fire and life safety code requirements regulated by the Office of Statewide Health Planning and Development, the Office of the State Fire Marshal, and the State Department of Public Health.
 - (d) As the industry moves to update the aging health care infrastructure, incorporate advances in medical technology, implement a modern health care delivery system, and improve electronic medical records systems, health care construction activity will increase to unseen levels, creating additional economic pressure on the skilled nursing and construction industry.

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(e) Licensed health care facilities are required to go through a building application and plan check process under the jurisdiction of the Office of Statewide Health Planning and Development.

- (f) This process is bureaucratically efficient, but is subject to inherent delays impacting timely approvals of projects. Although the Office of Statewide Health Planning and Development has developed internal policies that set timeframes for plan review and approval, these policies are targets rather than enforceable requirements.
- (g) Improving the efficiency of health care building plan review and construction efforts will not only reduce the time to design, review, and complete facility construction, but also lower the cost of the project and reduce overall cost pressures on the health care system, allowing more resources to be directed to direct patient services.
- (h) Therefore, it is the intent of the Legislature to codify the timeframes and due dates for completion by the Office of Statewide Health Planning and Development of the review of facility construction documents and to require the office to notify applicants of the anticipated date the review will be completed and returned to them.
- SEC. 2. Section 129788 is added to the Health and Safety Code, to read:
- 129788. (a) Documents submitted to the office for new construction of, alteration of, or additions to, health facilities licensed pursuant to subdivision (c) of Section 1250, shall include the name and contact information for an individual designated to be the project coordinator, and shall be reviewed and approved within the timeframes established by this section.
- (b) (1) Upon receipt of the documents submitted pursuant to subdivision (a), each submittal shall be logged in by the office and given—an preliminary review within 48 hours by—architects, engineers, and fire and life safety officers designated qualified professional staff of the office familiar with health facilities providing skilled nursing care to determine if the submittal is complete.
- (2) Within 48 hours, the office shall notify the project coordinator telephonically if the submittal is incomplete and of the specific documents that may be missing or require correction.

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(3) Upon notification, the project coordinator may request the submittal to be returned for correction and resubmission, or an appointment with the office to meet and deliver any missing documents or make corrections to the documents as necessary to meet the requirements of the office.

- (c) For projects not qualifying for rapid review under Section 129856, the Facilities Development Division shall meet—the following timeframes: reasonable timeframes developed by the office, in conjunction with stakeholders, that include all of the following:
- (1) First review of new projects and deferred items shall be completed within 30 days.
 - (2) Backchecks shall be completed within 15 days.
- (3) Amended construction documents-shall be completed within 15 days.
- (d) New projects that qualify for review by the Rapid Review Unit shall be completed within *an average of* 15 business days. Projects qualify if they are new projects up to a maximum estimated construction cost between one hundred thousand dollars (\$100,000) and one hundred seventy-five thousand dollars (\$175,000), dependent upon the unit's fluctuating workload. Rapid review does not apply to any of the following:
- (1) Existing projects that were initially reviewed by a regional office, including backchecks, post approval documents (PADs), and deferred items (DI's).
 - (2) Projects requiring an alternate method of compliance.
- (3) Projects having equipment missing required project numbers for special seismic certification.
- (e) For projects that include primary gravity or lateral load elements or systems, structural shall be completed within 30 days for first reviews and 15 days for deferred item reviews. Backchecks for these projects shall be completed within 15 days.
- (f) The review schedules for managed projects will be negotiated between the office and the applicants.

(g)

(e) The office shall charge a reasonable fee for the review and approval of plans submitted pursuant to this subdivision section. This fee shall be based on the estimated cost, including costs associated with the designated qualified professional staff, but

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shall not exceed the reasonable cost of the entire phased review and approval process for those plans.

(h)

- (f) The project cost threshold under subdivision (a) of Section 129880 shall be increased to one hundred thousand dollars (\$100,000) without regard to the cost of equipment or other items not related to the actual repair or construction costs.
 - (i)
- (g) In order to meet the review turnaround times required by this section, the office may seek outside assistance through contracts with qualified professional architectural or engineering firms, or coordinate with local building officials to delegate jurisdiction on specific types of projects.
- (h) The office shall monitor document submissions related to new or comparable design concepts meeting approval requirements and, when feasible, publish standard requirements for use by stakeholders. Design concepts may include new construction, renovation, or replacement.
- (i) Design concepts to be considered under subdivision (h) may include, but are not limited to, reduction in beds; installation and use of new technology, such as electronic medical records; space conversion dedicated to changes in care delivery models; and common replacement of major infrastructure equipment, including roofing, HVAC, generators and emergency power systems, water heaters and boilers, kitchen, and laundry room equipment.
- (j) The office shall work with stakeholders to establish education and outreach programs directed at reducing document submission error rates and turnaround times.